

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 1/29/2013	(3) CONTACT/PHONE Morgan Torell, Planner III/781-5113	
(4) SUBJECT Request to authorize processing of amendments to the Housing Element of the County General Plan. All Districts.			
(5) RECOMMENDED ACTION That the Board of Supervisors authorize staff to process an update to the Housing Element of the County General Plan.			
(6) FUNDING SOURCE(S) Department Budget	(7) CURRENT YEAR FINANCIAL IMPACT \$6,000 FY 12/13	(8) ANNUAL FINANCIAL IMPACT \$50,000 FY 13/14	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. _____) { x } Board Business (Time Est. 20 min _____)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { x } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5th's Vote Required { x } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { x } N/A Date _____	
(17) ADMINISTRATIVE OFFICE REVIEW Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Morgan Torell, Planner III

VIA: Chuck Stevenson, AICP, Long Range Planning Division Manager

DATE: 1/29/2013

SUBJECT: Request to authorize processing of amendments to the Housing Element of the County General Plan. All Districts.

RECOMMENDATION

That the Board of Supervisors authorize staff to process an update to the Housing Element of the County General Plan.

DISCUSSION

Background

The Housing Element is one of the seven required elements of the San Luis Obispo County General Plan. Its purpose is to 1) facilitate the provision of needed housing for all income levels, and 2) meet the requirements of State law (Government Code Section 65583). Generally, the County must update its Housing Element to be in compliance with State law every five years. The next Housing Element Update is due on June 30, 2014 to the State Office of Housing and Community Development (HCD). It will cover a 5.5 year period from January 1, 2014 to June 30, 2019.

The countywide Regional Housing Needs Allocation (RHNA) details the numbers of units the County and each city must plan for over the Housing Element period. The countywide housing need set by HCD for the 2014-2019 cycle is 4,090 housing units. The San Luis Obispo Council of Governments (SLOCOG) invited representatives of the cities and County, as well as other organizations to participate in methodology committee to further break down the regional allocation by jurisdiction so that each city and the County plan for enough housing for very low, low, moderate and above moderate income housing in the jurisdiction.

The methodology committee met in October and agreed to use the same formula of employment and population used in the previous Housing Element cycle. If the Regional Housing Needs Plan is approved by the SLOCOG Board with no changes, the County will have to plan for 1,328 new comprised of a mix of extremely low, very low, low, moderate, and above moderate income housing. The breakdown is as follows:

County's Share of Housing Needs 1-1-2014- 6-30-2019	
Extremely Low and Very Low Income	331
Low Income	208
Moderate Income	234
Above Moderate Income	555
TOTAL	1,328

While the overall countywide RHNA allocation of 4,090 is approximately 16% less than the allocation of 4,885 for the previous period, the County's share increased from 26.5% (1,295 units) to 32.5% (1,328) due to the County having a higher share of countywide employment, but approximately the same percentage of the population than the previous cycle.

One of the most important aspects of the Housing Element under State law is to show that enough vacant land is designated for development of housing at 20 units per acre or more to meet the needs for low and very low income households.

Timeline (Completion Dates)

Planning staff anticipate that the timeline for completing the Housing Element Update will be as follows:

- Data Collection/Analysis (including sites analysis) – January - June 2013
- Outreach to Communities and Stakeholders – July - September 2013
- Public Review Draft – October/November 2013
- Coordinate with the State regarding compliance – November 2013 - January 2014
- Hearing Draft – January 2014
- Planning Commission Hearing(s) – February/March 2014
- Board of Supervisors Hearing(s)/Adoption – June 2014

Accomplishments in Current Housing Element Cycle

The current Housing Element of the County General Plan was approved by the Board of Supervisors on August 11, 2009 and revised on December 8, 2009. The RHNA adopted by SLOCOG for the current Housing Element allocated 1,295 new units for the period of January 1, 2009 to June 30, 2014. This allocation included units for households with incomes in the very low, low, moderate and above moderate income categories. From January 1, 2009 – December 31, 2011, the County produced a total of 987 units broken down as follows:

	Units Produced 1-1-2009 through 12-31-2011	County's Share of Housing Needs	Total RHNA Remaining in Current Period
Very Low Income & Low Income	150	514	364
Moderate Income	12	241	229
Above Moderate Income	825	540	-285
TOTAL	987	1,295	

The County has achieved more above moderate income housing units than the County's share of above moderate income housing needs for 2009-2014. However, the County's production of affordable units for the same time period was less than half of the County's share through the 2011 Calendar Year.

The County made significant progress towards meeting the programs and goals specified in the current Housing Element. Some of the accomplishments made from January 1, 2009 – December 31, 2011 include:

- Continued development incentives such as reducing the cost of development impact fees of affordable units by allocating in-lieu and housing impact fees to pay for these and other costs. For example, in 2011, the Board of Supervisors allocated \$39,155 of these fees collected to facilitate construction and related costs of 6 farmworker units in Oceano, 29 units in Templeton, and 21 units in San Luis Obispo.
- The County allocated more land for residential development. For example, in 2011, Planning Commission hearings began to consider adoption of the Shandon Community Plan. Then, in 2012, the Board of Supervisors adopted the Plan, which allocated 20 acres of land in the multi-family land use category. No multi-family land was previously designated in Shandon.
- Provision of direct financial assistance for affordable housing for very low and low income households through Home Investment Partnerships (HOME) grant funds, including for example:
 - Allocation and administration of \$1.4 million in 2011 HOME funds for construction of 36 units of affordable housing Arroyo Grande, acquisition of property in San Luis Obispo for future construction of 40 affordable units, construction of 80 units at the Oak Park Affordable Housing Development site in Paso Robles, and construction of three affordable units in San Luis Obispo by Habitat for Humanity
- Provided minor home rehabilitation assistance to 7 households in 2011
- Provided on-going support to the Housing Trust Fund by providing funds to cover a portion of its operating costs
- Facilitated affordable housing through on-going advocacy, education and support by participating in regular Workforce Housing Coalition and Homeless Services Oversight Council meetings

Some of the programs in the existing Housing Element will likely be carried over to the Housing Element Update. Some of these programs include continuing existing development incentives, direct financial assistance for housing, and facilitating development of affordable housing. These programs, as well as others, ensure that housing is available for residents of all economic segments of the community.

OTHER AGENCY INVOLVEMENT/IMPACT

The Planning and Building Department will hold meetings with the public throughout the Housing Element update process, starting in the summer. Stakeholders will provide input for potential programs as well as assist in evaluating past programs that could potentially carry over into the in the Housing Element Update.

FINANCIAL CONSIDERATIONS

The Planning and Building Department will use existing staff to prepare the Housing Element Update. The Planning and Building Department's adopted budget includes sufficient funding for the staff costs for this effort during the 2012/2013 fiscal year and costs for 2013/2014 fiscal year will be included in the Department's proposed budget.

RESULTS

Authorization of the Housing Element Update will allow staff to ensure compliance with State law and encourage development and retention of affordable housing in the County for all income groups. If the County is successful in obtaining HCD approval of the County's updated Housing Element that approval will result in local eligibility for a variety of funding programs offered by the State.

Updating the Housing Element will also allow the County to create new programs as well as continue successful programs encouraging housing opportunities for all economic segments of the County.